

Examples of Exempt vs. Non-Exempt Resources Under Indiana's Medicaid Program

(June 2002)

Note: The Medicaid program uses the term “resources” to mean assets. Whether a resource is counted and how it affects eligibility depends on many factors. The information below is general in nature only and only applies to Medicaid for the aged, blind, or disabled. It is intended to give examples of certain types of resources. There are many other types of resources that might affect Medicaid eligibility. The listing of an item below does not necessarily mean that it will count/not count toward Medicaid eligibility; depending on an individual's circumstances, some resources might be unavailable for Medicaid purposes.

Exempt (not counted) for Medicaid eligibility purposes

- Burial or Funeral Trusts (if irrevocable AND the amount is tied to specific funeral or burial services AND the second beneficiary is either Indiana Medicaid or the individual's estate).
- Home (if any of the following live there: spouse, child under age 18, disabled or blind child, or if the recipient is expected to return home)
- Household furnishings
- Income-Producing Property (if income is greater than expenses of ownership)
- Life Insurance (if term insurance; OR if has cash value and the face value is \$10,000 or less AND the beneficiary is the recipient's estate or the funeral home)
- Personal Effects (excluding collections)
- Resources Protected by Using an Indiana Partnership Insurance Policy
- Real Property in the sole name of the community spouse
- Vehicle (one of any value if used for the recipient's employment, medical treatment, has been modified to accommodate a disability, or is for the community spouse; otherwise, \$5,000 of the current market value)

Non-Exempt (counted) for Medicaid eligibility purposes

- Cash
- Cash Value of Life Insurance (if doesn't meet criteria to be considered exempt)
- Certificates of Deposit
- Checking and Savings Accounts
- IRA's
- Money Market Funds
- Mutual Fund Shares
- Pension Funds (if option exists to withdraw a lump sum AND as long as employment doesn't have to end to receive the withdrawal)
- Real Property (if criteria for the home to be exempt is not met, then it must be offered for sale or rent at fair market value)
- Savings Bonds
- Stocks and Bonds

NOTE: The asset protection earned by using an Indiana Partnership policy is meant to protect the countable assets of the policyholder (since the exempt assets are already not counted by Medicaid).